

CONTACT CENTER TRENDS 2020

A New Age for the Customer Experience



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CHAPTER ONE

Introduction

The Dawn of a New Age for the Contact Center

Over the last 20 years, the way we communicate has rapidly evolved. Everything from how we shop to how we listen to music has changed. As our world becomes increasingly interconnected, consumer expectations are evolving, too.

Modern consumers are also no longer willing to accept poor customer service: **More than 50% of people** cite it as a reason they've abandoned a brand, and

80% of customers say the experience a company provides is as important as its products and services.

The undeniable **impact customer experience has on revenue** is forcing companies to adopt a customer-centric, proactive approach, which acknowledges the often complex modern customer journey.

Part of that is due to a shift away from the view of the contact center as a 'cost center' — a 'necessary evil' that needed to be minimized — to a revenue driver, or as **NICE puts it**, an 'opportunity center.' Rather than putting the emphasis on responding to inquiries as efficiently as possible, smart businesses have realized there is opportunity in proactive Customer Relationship Management (CRM).

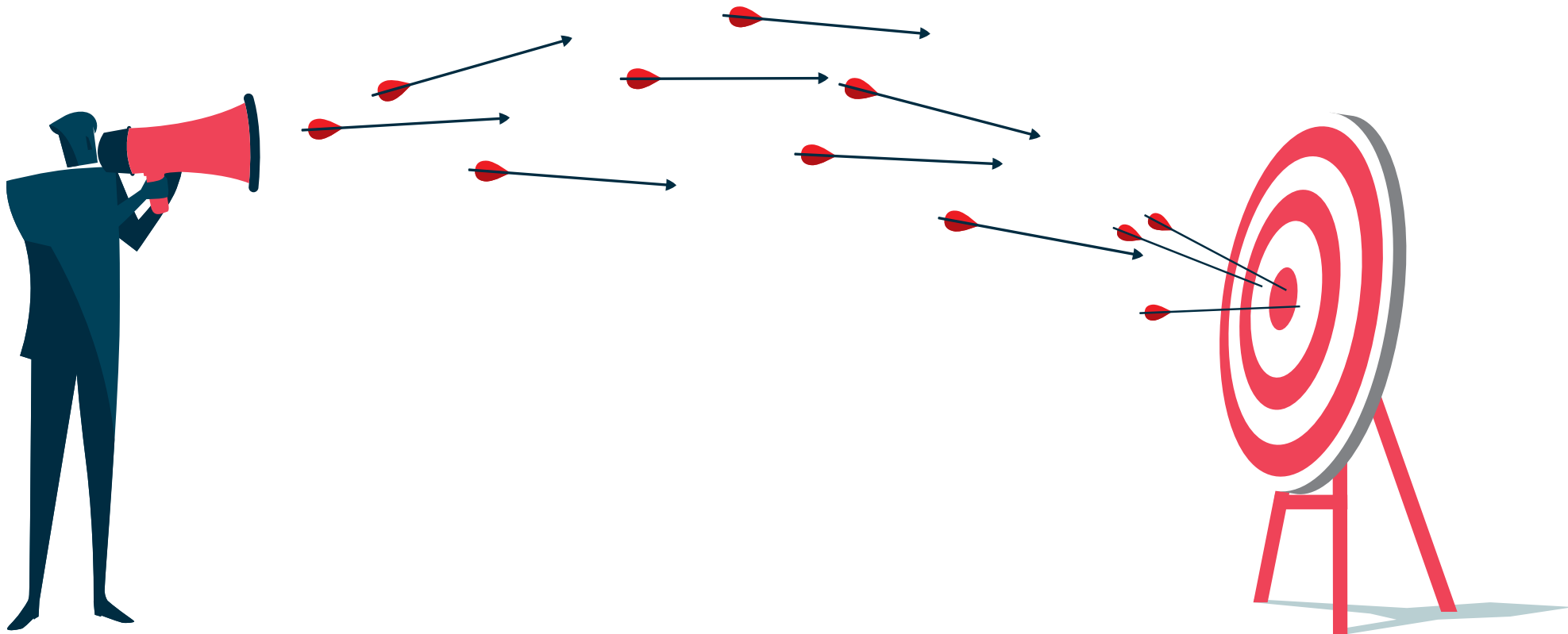


To deliver the fast, intelligent, omnichannel experience consumers want, and make the most of the opportunities they present, the humble contact center of today must evolve into **the Customer Experience Hub** of the future.

CHAPTER TWO

How Contact Centers Fared in 2019

Before gazing into our crystal ball for 2020, let's review how we [fared](#) with our contact center predictions for 2019.



Gamification and Investing in Agents

Last year saw a significant uptick in techniques to improve contact center employee satisfaction.

Fast forward to [today](#), and over half (54%) of service organizations have year-over-year budget increases, and nearly two-thirds (63%) expect more money next year.

71% of service agents believe their role is more strategic than it was two years ago ...

... and nearly two-thirds of employers consider improving the skills of their workforce a high priority over the next two years.

We expect this to continue as companies try to align with customer expectations by investing more in their contact center technology and, more importantly, their team. **85% of service decision-makers** view investment in agents as a vital part of service transformation.



Voice-Powered Technology (VPT)

Although not quite fully-formed, voice-powered technology has come a long way since it first launched.

If you hadn't noticed already, 2019 was probably the first time you used a voice-activated assistant or service. Have you come across a voice-activated intelligent IVR yet? [Call Apple](#) if you want to check one out.

Now that it is recognized as a legitimate technology and not a passing fad, VPT [has continued to grow](#) and will likely [continue to do so](#) over the next few years, as voice and sentiment recognition improve along with the AI behind the assistants.



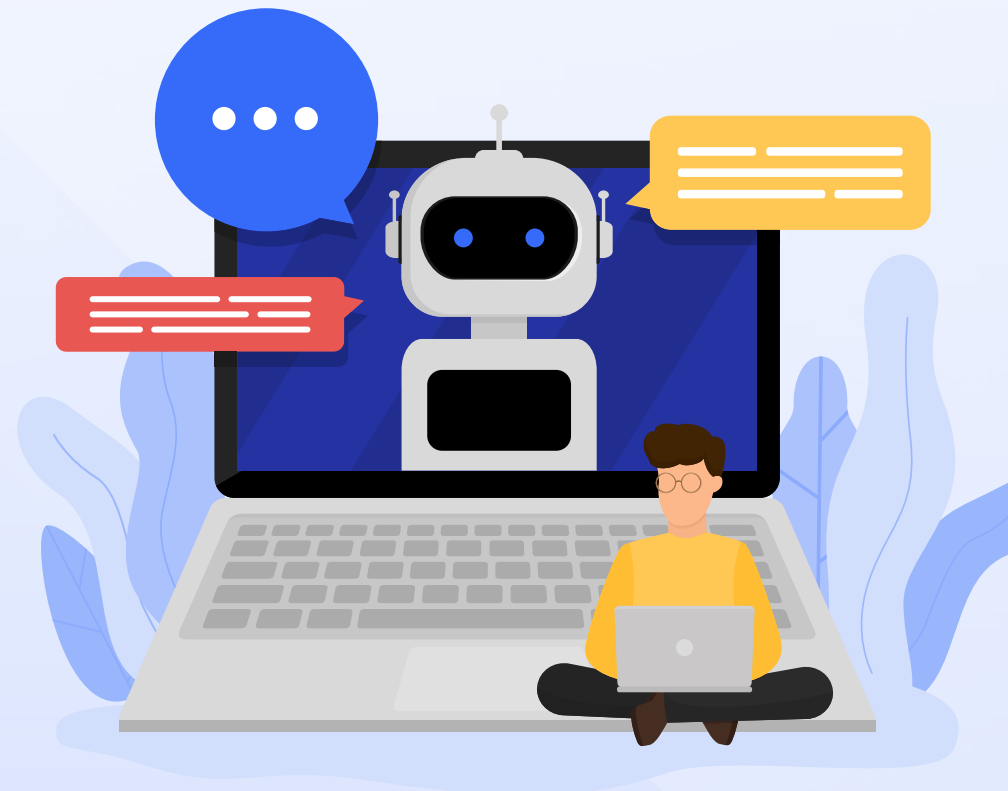
Artificial Intelligence (AI): Hero or Villain?

In the throes of late 2018, we thought AI would emerge as a hero in the contact center. A year later, we're happy to report that we were correct.

Organizations that have adopted AI technology have reported reductions in call, chat, or email volume of up to 70%.

This has been in harmony with the contact center's human workforce: 71% of agents view AI as helpful in their work, typically because it completes simple, mundane tasks so agents can focus on more complex cases. As a result, only 27% of agents are worried that AI will eliminate their jobs;

80% of service decision-makers believe AI is most effective when deployed with – rather than in place of – humans.



Cracking Down on Hold Times

One constant is that many brands are continuously looking to crack down on hold times. These brands realize the immense impact putting customers on hold has on business success: It diminishes brand loyalty; it makes handling call spikes challenging for agents and customers alike; and:

It ultimately costs businesses both dollars and time.

Unfortunately, this is still a mixed bag, with some companies improving and others continuing to frustrate, disappoint, and in some cases lose customers by putting them on hold.

Those that opt to empower their customers with multiple options, like [call-back solutions](#), chatbots, or other means of customer support, still remain ahead of the game.



Social Media as a Contact Center Touchpoint

Social media continues to act as a customer service channel and this remains a growing area in customer service departments and contact centers across the globe.

Going into 2020, not only do nearly 35% of customers prefer social media over any other channel, 63% of consumers expect brands to offer customer service through social media.

In fact, social media has become such an important touch point over the last year that it has spawned its own trend: Omnichannel communication. More on that shortly.

For anyone still in doubt about social media, best-in-class social media customer care can **increase your annual ROI by 30%**. Good social customer care pushes customers to spend 20-40% more.

In conclusion, we think we did pretty well on our predictions for 2019.

Are you ready to hear what will happen next year? Read on to achieve 20/20 vision on the contact center pace in 2020.



63% of consumers expect brands to offer customer service through social media.



CHAPTER THREE

Contact Centers Trends 2020



TREND NO.1

Texting is Back (With Bells On)

If you hadn't noticed, the humble text message has been getting a reboot of late, and with good reason. According to a study by Accenture, **97% of consumers** are open to hearing from brands via text message.

And when it comes to customer service, **Aspect says** that nearly half of all Americans would be happy to conduct all their customer service interactions via text, chat and/or messaging.

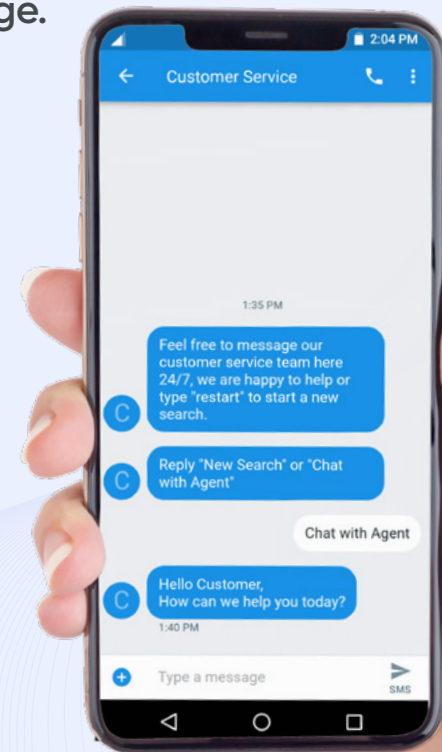
Have a look in your SMS inbox now, and we're betting you'll find at least one text from a brand such as your bank, network operator, or favorite delivery app. In fact, we'll bet that half of them are from an organization of some sort.

With the largest messaging platforms and telco providers making **Rich Communication Service (RCS) technology** available for the first time this year, text messages will be getting a lot more useful in 2020.

RCS lets you embed videos, GIFs, maps, and even menus into text messages, as you can already do on many existing online messaging platforms.

97%

of consumers are open to hearing from brands via text message.



Brands like KLM and Subway have been leading the charge, and we're expecting to see a lot of experimentation done with RCS in 2020.

A lot of this will be in marketing, but we think there's a huge opportunity for contact centers to reduce call volume and increase satisfaction rates by adopting RCS messaging as another support channel – an alternative to social media channels.

The high open rate of SMS/RCS makes it a great option for timely NPS polling and gathering feedback.

Combined with AI, RCS messaging could even be used to handle basic issues like organizing product returns or account updates, freeing up other contact channels for more complex inquiries.

If you're a contact center manager, you're probably wringing your hands and thinking, "Not another contact channel to manage." Don't worry: You're not alone! The industry as a whole has been moving towards a more holistic approach: Omnichannel communication.

And that brings us to our next trend ...



TREND NO.2

Omnichannel Communication Becomes Standard

Social and chat-based customer support has grown commonplace: **63% of consumers** now expect brands to offer fast, accurate customer service through social media platforms.

Companies are scrambling to accommodate a consumer who is rapidly becoming digital-first and be able to use at least **10 different channels** to communicate with a company – and **expects them all to be seamless.**



The 'connected customer' doesn't want to know who or what is responsible for the issue; they just want a single point of contact to resolve their issue, and fast. They also want to pick up a discussion where they left it – *on whatever channel is most convenient for them at the time* – and get relevant help without having to explain their situation or their particular issues again and again.

To provide this, **the Experience Hub will need to be a master in omnichannel communication and standardizing service delivery.** Unifying customer communications across channels gives businesses a better context for their customers. Not only does this create the seamless experience customers crave, but it will also help businesses understand their customers – and their issues – faster and better, as well as help sales agents identify opportunities for future sales.

Omnichannel communication also goes beyond human-to-human and human-to-machine communication.



AI and Machine-to-Machine communication will open up further channels of communication.

They will be essential in creating a superlative customer experience.

As the Internet-of-Things grows, **smart technology will be built into more and more products, products which are going to want to 'talk' to the Experience Hub, too:** To install upgrades, report errors or breakdowns, and potentially even be diagnosed and fixed (or new parts ordered) completely remotely, without the customer ever knowing.

All this will only be made possible in the Experience Hub by one technology that seems to be trending everywhere: Artificial Intelligence.

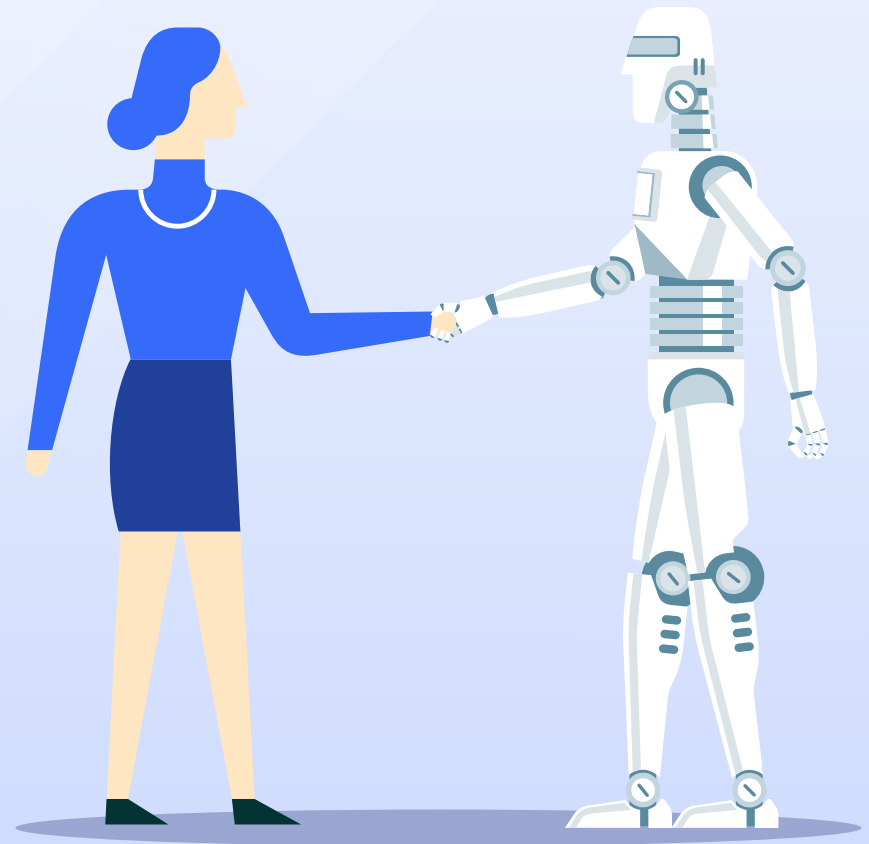
TREND NO.3

AI is Here to Stay

The last five years have seen Artificial Intelligence go from a gimmicky tech toy to a powerful business tool. For the contact center of 2020 – and the Experience Hub of the future – AI is no longer a novelty, but a prerequisite for high-quality service delivery.

According to research by Salesforce, **56% of service organizations** are investigating ways to use artificial intelligence and 39% already have a defined AI strategy. They project a 143% growth rate in the use of AI over the next 18 months; 24% currently use and 34% plan to use it within 18 months. In the coming year:

We're expecting to see AI become increasingly important in three areas: Intelligent self-service (including chatbots), agent automation, and analytics.



Better Self-Service Tools

Advanced self-service tools are already becoming commonplace. In the last year alone we've seen a rapid increase in the number of voice-recognition IVRs, smart knowledge bases and tutorials, voice-assistants, and virtual agents in-market.

In fact, since 2018, we've seen the number of smart-search knowledge bases **more than doubling**, and

Salesforce **predicts** around **53%** of organizations will have a live chatbot solution by the end of 2020.

Advanced self-service tools will take the strain off other contact channels, as more and more customers are able to resolve issues themselves.

And there's plenty of room for improvement in 2020: **Nearly 20% of self-service systems haven't been updated since they were launched.** Truly, it will be the task of the Experience Hub to use data and feedback to keep these systems updated so they remain useful to the consumer.



Agent Automation

The most relevant use of automation in the contact center today is to free up agents to work on more complex interactions with customers.

Currently, customer service **organizations with AI are predominantly using it to gather basic information when a customer first makes contact, and then to classify cases and route them to the best possible agent.** This allows service companies to scale their support quickly and solve issues faster.

With AI handling routine tasks, humans are freed up to spend more time handling complicated cases with care, which could increase your Net Promoter Score (NPS) **by up to 50 points.**

More than 75% of service professionals using AI report improved prioritization of agents' work, increased first contact resolution rate and CSAT or NPS scores, higher agent morale and reduced call volume and handling time.



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Better Analytics and Insights

The final use of Artificial Intelligence will be behind the scenes, crunching numbers to better anticipate the needs of the consumer and the Experience Hub.

In the past, it was the duty of contact center management to analyze data to boost the productivity of the center and its agents. In 2020, AI will take on this role, using machine listening

and learning, speech analytics, and predictive modeling to better prioritize agent work and manage contact center resources, particularly during spikes in call volume.

These in-depth analyses will be essential in creating the efficiencies needed to operate a successful omnichannel Experience Hub in 2020 and beyond.



TREND NO.4

Contact Centers in the Cloud

Cloud technology is rapidly becoming the norm across all verticals and is a fundamental component of the 'Experience Hub.'

Although the installation and configuration of these systems can be costly and time-consuming, the benefits easily outweigh the costs in the long run.

On the business end, cloud-based solutions can solve issues related to database security and reliability of local service, as well as allow for faster upgrades, improve functionality, and **reduce overheads** for the contact center. Solutions like video chat and co-browsing will facilitate this:

Cloud-based call centers will also open up silos within the business and help them provide localized, real-time support seven days a week.

This is possible because of new sophisticated contact center management software, which collates data from various sources into a single resolution-center dashboard.



Two-thirds of service providers will move their contact centers to the cloud within the next 12 months.

This means every agent has access to accurate, real-time data about the customer they're talking to – wherever they're talking to them – and can provide an 'Experience Hub' level of service.

Another major benefit of moving your contact center is that it no longer needs to be a physical center. Agents can operate from anywhere, at any time, which can **drastically reduce overheads and widen the talent pool**.

In fact, the argument for remote, 'cloud-based' teams is so strong that **over a third of contact centers already operate with agents working from home**, and more than 50% expect to trial it in the future.

To keep up with consumer demands for real-time, omnichannel, 24/7 support, we expect that more than **two-thirds of service providers** will move their contact centers to the cloud within the next 12 months, making this one of the biggest trends in 2020.

TREND NO.5

Emotional Intelligence is Held in Higher Esteem

In 2020, businesses will increasingly see the connection between empathy, great customer service, and profitability.

The Global Empathy Index demonstrates that their top 10 companies generated 50% more earnings and more than doubled their value with an empathetic approach.

As part of the contact center's transformation into an Experience Hub, customer support agents will be required to handle more complicated problems, with greater emotional intelligence.

With that, we expect to see a growth in demand for 'soft-skills' such as empathy, active listening, and proactively reading someone's emotional state.

Agents with the ability to forge relationships with customers will be in high-demand, and **contact center managers will implement incentives to help instill empathy into their processes**, to ensure customers have a positive experience with their brand.



... agents will be required to handle more complicated problems, with greater emotional intelligence.

This will spread throughout the organization itself, too. It's well known that engaged employees serve both their customers and colleagues with more compassion and respect than disengaged ones.

Already we see contact centers are **moving away** from metrics like Average Handle Time (AHT) and Cost-per-Call (CPC) and towards more qualitative measurements like Customer Satisfaction (CSat), Agent Satisfaction, and Service Level scores.

We expect (and welcome) more of this customer-first thinking in 2020 and beyond.

TREND NO.6

Time is of the Essence

The consumer of 2020 is hurried and time-strapped. The digital age didn't just make instant communication possible, it made it requisite for a successful business. And modern consumers are even more impatient than they were 10 years ago.

Response times, call hold times, and resolution times are all becoming increasingly important to consumers who are used to discovering a product, researching it, buying it, and receiving it at their door in a matter of hours.

It's hardly a surprise, then, that being made to wait is one of the deciding factors when a customer considers returning to a brand ... poor response time can lead to an **up to 15% increase in customer churn**.

The bottom line is: Customers don't want to be kept waiting.

More than 60% of people agree that even a minute of hold time is too long.

Smarter companies are using technology to eliminate customer waiting time with clever solutions such as voice call-backs and mobile call-backs, which have been shown to **lower abandon rates by up to 37%**.

We're seeing a growing trend towards ultra-fast response times, as more and more companies look to enhance their customer experience by providing 'always on' customer service.



TRENDS 2020

Contact Centers Out. Experience Hubs In.

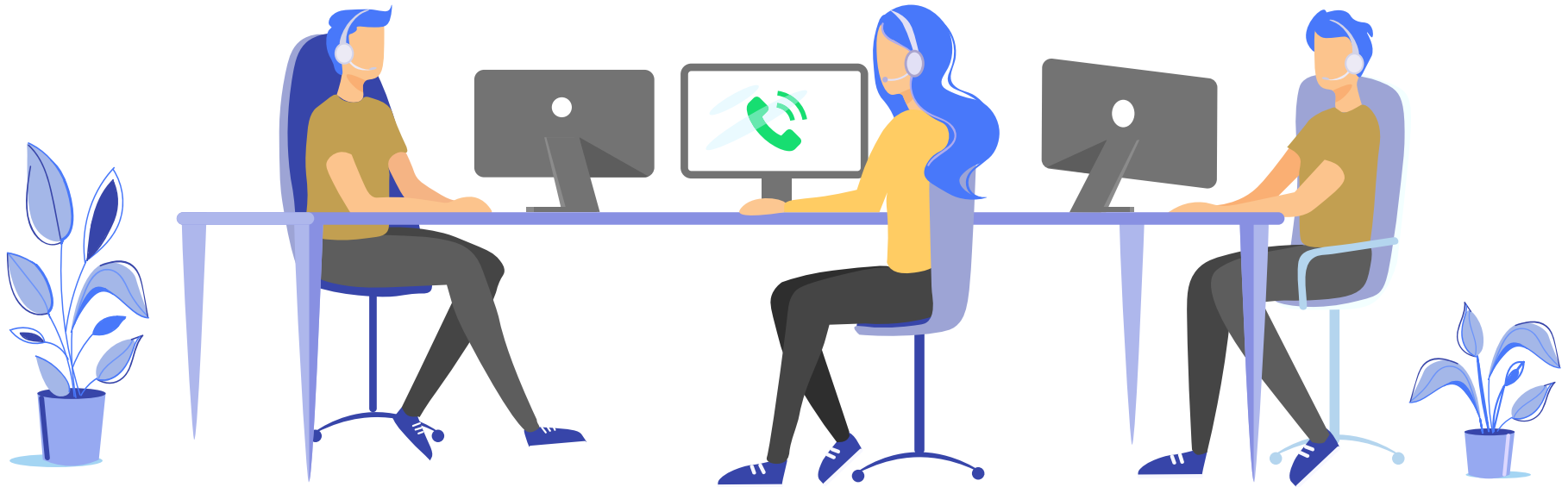
The shift in the way we communicate will force sweeping changes to the contact center through 2020 and beyond.

The proliferation of social media, AI, and cloud computing technology are transforming the contact center from a 'necessary evil' in the budget into a huge opportunity to drive incremental revenue.

As companies race to provide consumers with the kind of experience that will turn them into 'raving fans' and 'brand evangelists', the lowly contact center will become central to the customer experience: It will develop into the hub to which all other areas of the business turn to when looking to improve, whether in product development, operations, marketing, or sales.

The six trends we expect to see in 2020 are all essential components of this transformation, and we look forward to seeing how they develop in the new age of the contact center.





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